

# EXHIBIT I

SIPC v BLMIS

Sala 6/13/2016

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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----x  
SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff,

Adv. Pro. No.

-against- 08-01789(SMB)

BERNARD L. MADOFF INVESTMENT SIPA Liquidation  
SECURITIES, LLC, (Substantially  
Consolidated)

Defendant.

-----x  
In Re:

BERNARD L. MADOFF,

Defendant.

-----x  
June 13, 2016  
9:58 a.m.

- CONFIDENTIAL -

Videotaped Continued Deposition of JOANN  
SALA, taken by attorneys for the Trustee, at the  
home of JoAnn Sala, 23 Shady Court, Bay Shore,  
New York, before SUZANNE PASTOR, a Shorthand  
Reporter and Notary Public within and for the  
State of New York.

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1 A P P E A R A N C E S:

2 BAKER & HOSTETLER, LLP  
3 Attorneys for Irving H. Picard, Trustee for  
the Substantively Consolidated SIPA  
Liquidation of BLMIS and the Estate of  
4 Bernard L. Madoff5 45 Rockefeller Plaza  
New York, New York 101116 BY: SEANNA R. BROWN, ESQ.  
sbrown@bakerlaw.com  
7 212.589.42008 AND: AMY E. VANDERWAL, ESQ.  
avanderwal@bakerlaw.com  
910 CHAITMAN, LLP  
11 Attorneys for a number of Madoff Victims  
12 465 Park Avenue  
New York, New York 1002213 BY: GREGORY M. DEXTER, ESQ.  
888.759.1114  
14  
15  
1617 ALSO PRESENT:  
18 JOHN EDMUNDS, Videographer  
19  
20  
21  
22  
23  
24  
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2 WITNESS

EXAMINATION BY

PAGE

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Joann Sala

Ms. Brown

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Mr. Dexter

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Ms. Brown

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Mr. Dexter

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## EXHIBITS

8 TRUSTEE

DESCRIPTION

PAGE

9 Exhibit 61

HWN 1472 through 1824

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10 Exhibit 62

MADTBB 1800094 through  
1800109

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Exhibit 63

MADTBB 1991239

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Exhibit 64

AMF 142426 through  
142480

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14 Exhibit 65

MF 177098

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15 Exhibit 66

MADTBB 1764427 through  
1764466

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17

18 (Exhibits accompany the transcript.)

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1 on an assumption that she had received that  
2 check, correct?

3 MS. BROWN: Objection.

4 A. Yes.

5 Q. Are you aware that Annette  
6 Bongiorno had testified at her criminal trial  
7 that she would regularly backdate customers'  
8 statements?

9 MS. BROWN: Objection.

10 A. I didn't know that, no.

11 Q. Are you aware that at Madoff  
12 Securities one of Annette Bongiorno's job  
13 functions was to create backdated statements to  
14 send to customers?

15 MS. BROWN: Objection.

16 A. No, I didn't know that.

17 Q. If I had told you that these  
18 account statements were backdated, would that  
19 cast doubts on -- strike that. Strike all that.

20 Back to these documents. If Madoff  
21 Investments was a Ponzi scheme, then how would  
22 you know that any of these statements were  
23 accurate?

24 MS. BROWN: Objection.

25 A. Well, I don't. I thought they were

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1 real.

2 Q. And if there are other things  
3 Madoff made up at Madoff Investments, then all  
4 of these could be made up as well, right?

5 MS. BROWN: Objection.

6 A. Yes.

7 Q. So it's hard to say really what you  
8 do know is accurate and what isn't accurate,  
9 correct?

10 MS. BROWN: Objection.

11 A. Well, according to the job that I  
12 had and what I was told, this was all accurate  
13 to me at the time.

14 Q. But now do you still think that  
15 these documents are accurate?

16 A. I don't know. I don't know.

17 Q. Let's look at another exhibit.  
18 This is Trustee Exhibit 30. Ms. Sala, are you  
19 familiar with this document?

20 A. No.

21 Q. You're not familiar with this  
22 document?

23 A. No, I didn't handle these accounts.

24 Q. All right, let's look at within  
25 this document, even if you're not familiar with

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1 look at. 36, 37, 38, 39 and 40.

2 This is 37. I'm still looking for  
3 36.

4 A. I have 36 here.

5 Q. Very good. 36, 37, 38, 39, 40.

6 Let's turn to Exhibit 37. You had  
7 testified earlier that Pep Boys was one of the  
8 stocks used in the convertible arbitrage  
9 strategy.

10 A. Uh-huh. Yes.

11 Q. But you have no personal knowledge  
12 of that, do you?

13 MS. BROWN: Objection.

14 A. No. I saw -- no.

15 Q. It's just what you assumed,  
16 correct?

17 A. Yes.

18 Q. Because you thought that  
19 Mr. Madoff's operation was legitimate, correct?

20 MS. BROWN: Objection.

21 A. Yes.

22 Q. But at this point, isn't it true  
23 that the only documents that are reliable are  
24 the ones that were sent from customers?

25 MS. BROWN: Objection.

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1 A. I don't know. It seems that way  
2 now. I don't know. I don't know when it  
3 started. I have no idea.

4 Q. You would agree that the customer  
5 letters that we've seen --

6 A. Are legitimate.

7 Q. -- are legitimate.

8 A. Yes.

9 Q. And they were signed by people who  
10 were not engaged in fraud.

11 MS. BROWN: Objection.

12 A. As far as I know.

13 Q. As far as you know. And these  
14 documents that were created by Madoff Securities  
15 were all created by an entity that turned out to  
16 be engaged in fraud.

17 A. Yes.

18 Q. So at this point, isn't it true  
19 that the only reliable documents are the  
20 customers -- are the letters from customers?

21 MS. BROWN: Objection.

22 A. It seems like that, but I don't  
23 know when this started, so I'm not sure -- I'm  
24 not sure if these were real or not real.

25 Q. Do you have any way of knowing

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1 which documents were real and which were not  
2 real?

3 MS. BROWN: Objection.

4 A. No.

5 Q. For the record --

6 A. No.

7 Q. All right, let's look at another  
8 set of exhibits, 22, 48 and 26. I'm putting  
9 before you the BLMIS account statement for Joel  
10 Blum, CAB Trust account dated July 31st, 1991.

11 And this is Trustee Exhibit 48.

12 Do you recall seeing this document  
13 during your May 19th deposition?

14 A. I may have. I don't know. I don't  
15 know if that was his or not.

16 Q. Do you recall seeing a -- strike  
17 that.

18 Do you recall seeing any documents  
19 relating to the CAB Trust for Joel A. Blum?

20 MS. BROWN: Objection.

21 A. I don't know if I did or not. It's  
22 not one that I -- I can't remember the name that  
23 was on it, no.

24 Q. All right, well, I'm trying to  
25 refresh your recollection. Let's look at

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1 C E R T I F I C A T E

2

3 STATE OF NEW YORK )

4 : SS.

5 COUNTY OF NEW YORK )

6

7 I, SUZANNE PASTOR, a Shorthand  
8 Reporter and Notary Public within and for the  
9 State of New York, do hereby certify:

10 That the witness whose deposition is  
11 hereinbefore set forth, was duly sworn by me and  
12 that such deposition is a true record of the  
13 testimony given by the witness.

14 I further certify that I am not  
15 related to any of the parties to this action by  
16 blood or marriage, and that I am in no way  
17 interested in the outcome of this matter.

18 IN WITNESS WHEREOF, I have hereunto  
19 set my hand this \_\_\_\_\_, 2016.

20

21

22 \_\_\_\_\_  
23 SUZANNE PASTOR

24

25